

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

FEDERAL TRADE COMMISSION, and

STATE OF MINNESOTA, by its Attorney
General, Lori Swanson,

Plaintiffs,

v.

SELLERS PLAYBOOK, INC., a
corporation,

EXPOSURE MARKETING COMPANY,
a corporation, also d/b/a Sellers Online and
Sellers Systems,

JESSIE CONNERS TIEVA, individually
and as an officer of SELLERS
PLAYBOOK, INC. and EXPOSURE
MARKETING COMPANY, and

MATTHEW R. TIEVA, individually and
as an officer of SELLERS PLAYBOOK,
INC. and EXPOSURE MARKETING
COMPANY,

Defendants.

CASE NO. 183c2207 Dwf/TJW

FILED UNDER SEAL

**PLAINTIFFS FEDERAL
TRADE COMMISSION'S
AND STATE OF
MINNESOTA'S EXHIBITS**

VOLUME III

Px. 5

FTC-SP-000308 - FTC-SP-000564

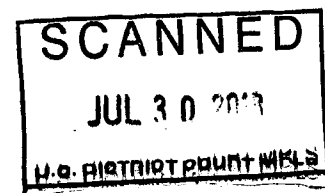


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Px. #	Exhibit Description	Bates Start Range	Bates End Range
Px. 5	Transcript of Sellers Playbook Training Workshop Day 1 – Part II	FTC-SP-000308	FTC-SP-000564

**CONTINUATION OF
PLAINTIFF'S
EXHIBIT 5**

1 this, right? And this kind of comes back to what I
2 was saying, guys. Money will not fall from the sky.
3 You still have to work your business. And I'm telling
4 you all right now, if every day you do something to
5 move your business forward, you will get where you
6 want to be. But until you build that foundation, the
7 time that it's going to take (inaudible) put into it.
8 (Inaudible) you will, then you accept (inaudible). In
9 the beginning, you've got to do something every day.
10 That's why they have us do this again. It makes the
11 lawyers happy, disclaimers. But you got to do your
12 part. Money's not going to fall from the sky. But as
13 long as you do a part, it's going to happen.

14 Just some quick (inaudible) agreements I
15 want to go over real quick. I know Mikey covered some
16 of this, but a couple things. Please make sure your
17 cell phones are on silent or vibrate. Look, I know I
18 got a lot of business owners in here. Some of you
19 have to stay connected to your businesses. If you
20 need to take a phone call, again, all I ask is you
21 step outside, conduct your business, come back in.
22 You can come and go as often as you want.

23 The (inaudible) no smoking or vaping in
24 here. You guys all know that. No audiovisual
25 recording of this presentation. And they do that for

1 two reasons. This is something Sellers Playbook is
2 really hard on. Number one, because everything you're
3 seeing here is copyrighted. We've developed a system
4 that works. But, number two, you all paid good money
5 to be here this weekend. Yes?

6 AUDIENCE: Yes.

7 MIKE SCHREINER: So how would you guys feel
8 if you went home tonight, YouTubed Sellers Playbook
9 training and saw me in front of the room for three
10 days? You know what I'm saying? That's the other
11 reason, okay, we want to protect you guys.

12 That's what comes in number four, too. We
13 do not allow any kind of class list or exchanging of
14 business cards this weekend. And here's why. We see
15 a lot of people coming in here to market their own
16 products. How many of you in here are willing to
17 learn how to make money with Amazon by a show of
18 hands? Okay, so is it fair to say that no one's in
19 here to learn about your (inaudible)? See what I'm
20 saying, yes? We see it all the time. (Inaudible)
21 right?

22 You're coming in or getting their businesses
23 out to our students. We don't want you to feel --
24 they don't represent us, and I don't want anyone to be
25 taken advantage of. Because that's what happens. So

1 that's -- if we see it -- I know some of it's happened
2 up to this point, but if we see it after this point,
3 you will be asked to leave, okay? It's just -- it's
4 Sellers Playbook rules, I (inaudible) that.

5 When it comes to questions and comments,
6 Mike touched on this as well. In this size of a room,
7 guys, just if -- if it's something that I'm not going
8 to answer, raise your hand. I have no problem
9 stopping. Look, I got nowhere to be until Sunday
10 night. Hey, I'll spend as much time as you guys would
11 want. But if I think I'm going to answer it, I may
12 just skip it until we come back. And you'll see
13 (inaudible) plenty of opportunities for question and
14 answers. My suggestion is the same that Mike E. said,
15 write them down.

16 The reason is that I don't want you to
17 forget your questions, but more importantly, I want to
18 make sure all of your questions are answered. But a
19 lot of times, if you just shout it out, it may knock
20 me out of my train of thought, and I may forget what I
21 was going to teach you. So I'll give you plenty of
22 opportunities for it, but if you write it down, that
23 way we make sure that everything gets answered.
24 Because I know for me, if I think about it, if I don't
25 write it down, I'll forget it. All right, so write

1 them down, so that way we get an answer.

2 And, then, finally, when it comes to these
3 rooms, wear a layer of clothing, guys. There's three
4 to four different ballrooms put together. I like to
5 keep it a little cool in here. I'm from Utah. It
6 takes a lot for me to get cold, but at Sellers
7 Playbook, we do have a rule. We only allow our
8 students to take off so many clothes before we ask you
9 to leave.

10 (Laughter.)

11 MIKE SCHREINER: I'm just kidding, guys.
12 (Inaudible). So I do keep it cool in here. Make sure
13 you bring something. If you get cool, you can put
14 something on. If you get hot, you can take it off.
15 Fair enough? But I like to keep it a little cool in
16 here, just so that you're aware of that.

17 All right, so just (inaudible) this weekend.
18 Here's some of the things we're going to go over.
19 Number one, I'm going to show you guys how to run a
20 business without the business running you. Again,
21 it's putting things in place, because if you're
22 involved in every aspect of that business, you're not
23 a business owner; the business is going to own you.

24 Number two, we're going to talk about the
25 investor mindset even more so. Again, we've got to

1 change the way that we think about things like
2 (inaudible). We're going to talk about the three
3 (inaudible) business models and how to engage in, how
4 do you partner up with us, how to source in-demand
5 products.

6 We can find products and great deals all day
7 long, but if nobody's buying them, it doesn't matter
8 what we sell. Right? We've got to find something
9 people are already buying. So I'll show you how we
10 can figure that stuff out. Private label, we're going
11 to spend more time upon Sunday when it comes to the
12 private labeling. For most of you all, private
13 labeling is not (inaudible). And here's why.

14 Private label takes more R&D than anything
15 else. You guys know what R&D is, yes? Research and
16 development, okay? So there's a lot more money and
17 time going to be put into private labeling than up
18 front. But if you have to come out of pocket and do
19 that R&D, chances are you'll never get your product
20 produced. So we want to get things going, get money
21 coming in, and then use your funds to grow our
22 business.

23 So private label, we are going to talk
24 about, but more so on Sunday. And how does this drive
25 our work fulfillment, meaning you (inaudible) to do

1 FBA and how to do that so it's not us doing all of the
2 work, same with the shipping and all of that. And
3 then how to spend more time on our passion, getting
4 Amazon just to do our business for us. And that's
5 kind of the FBA versus F -- and we'll spend more time
6 on that.

7 And then one of the big ones is how to
8 outsource all the tasks you don't want to do. Again,
9 because if you're doing everything in this business,
10 guys, I'm telling you right now, it will eat your time
11 up quick, and then you're back to trading time for
12 money.

13 In fact, one of my students that came in
14 here, it was a husband and wife, they did eBay for
15 years. They made enough money on eBay to pay for two
16 cruises. The problem was they were working 60-plus
17 hours every week to do that service. So they made
18 okay money, and got even two -- two cruises they could
19 go on as a couple, right? But they were working their
20 butts off to get there. That's (inaudible) in this.
21 So I'm going to show you a better way so that you're
22 not doing that. So we're going to go through a lot
23 more.

24 Now, things that you're not going to learn
25 this weekend, traditional brick-and-mortar stores,

1 we've already talked about learning everything in
2 three days is impossible. Being scared of debt.
3 You've got to get over that. Now, again, not -- not
4 the good debt, the bad debt you've got to get rid of.
5 That you should be scared of.

6 So you've got to understand that good debt
7 makes us...

8 You've got to spend money to make money,
9 guys, in any business that you do. Comfort zone is
10 not going to happen. Like I said, my job -- my number
11 one goal is to push you out of your comfort zone this
12 weekend. If I see you slipping back into that comfort
13 zone, I'm going to push, because I'm your fear-fighter
14 this weekend, guys. I'll be your weekend mentor if
15 you allow me to, but if I don't push you out of that
16 comfort zone, what will change for you?

17 AUDIENCE: Nothing.

18 MIKE SCHREINER: Nothing. Okay? And then,
19 again, you're going to have to be part of this to
20 (inaudible). So let's talk about what's holding you
21 back. That's what I want to (inaudible) right now.
22 Now, when I talk about what's holding you back, what I
23 don't want to hear is knowledge. It's too broad,
24 okay? So specific knowledge I'm all about.

25 And then I also don't want to hear fear.

1 The reason I don't want to hear fear is because I'm
2 going to cover fear here in a minute. But other than
3 that, I want to know either what's been holding you
4 back to get into this business, or for those of you
5 that are already in this business, what's been
6 stopping you from taking it to that other level. This
7 lets me know what you're here to get, what you need
8 out of this.

9 So you guys tell me what's been holding you
10 back, either getting involved in this business or
11 taking it to the next level.

12 AUDIENCE: Motivation.

13 MIKE SCHREINER: Motivation. What do you
14 mean?

15 AUDIENCE: When you try to do something and
16 (inaudible) hard to get (inaudible).

17 MIKE SCHREINER: Okay. So I'm going to
18 change this. I'm going to say your "why." I'm going
19 to say your why. And here's what I mean by your why.
20 If you have a true reason for why you are doing this,
21 you can find your motivation. Guys, you'll hear me
22 say several times this weekend, this is not about the
23 money. Again, if you're here chasing the dollar,
24 guys, you're building someone else's dream. I'm
25 telling you right now, it's not about the money. The

1 money is going to come.

2 You have to know why. Is there going to be
3 hangups along this road? Yes or no?

4 AUDIENCE: Oh, yeah.

5 MIKE SCHREINER: Guys, there's a learning
6 curve to everything you do, right? We can help
7 shorten that learning curve, but there's going to be a
8 learning curve. If you have a true why then you don't
9 have the motivation. I see it all the time. People
10 are like, oh, this is (inaudible). Right? Once you
11 have skin in the game, you're committed, and if the
12 why is there, you're going to do it.

13 AUDIENCE: Knowledge (inaudible).

14 MIKE SCHREINER: Okay, so, what kind of
15 knowledge? So, again, knowledge is just too broad.
16 Specific knowledge (inaudible). Further knowledge
17 about?

18 AUDIENCE: Money.

19 MIKE SCHREINER: Okay.

20 AUDIENCE: (Inaudible).

21 MIKE SCHREINER: Okay, so maybe -- how about
22 a system?

23 AUDIENCE: (Inaudible).

24 MIKE SCHREINER: How about a system?

25 AUDIENCE: (Inaudible).

1 MIKE SCHREINER: And then you said money,
2 two much money or not enough?

3 AUDIENCE: Oh, not enough.

4 MIKE SCHREINER: Okay.

5 AUDIENCE: (Inaudible).

6 MIKE SCHREINER: Say again.

7 AUDIENCE: Time and -- time and capital
8 (inaudible).

9 MIKE SCHREINER: Okay. So, again, time is
10 the true equalizer, right? So it's just what are we
11 doing with our time. But I get it, because a lot of
12 us don't have a system in place, we don't know how to
13 work (inaudible).

14 Yes?

15 AUDIENCE: (Inaudible).

16 MIKE SCHREINER: It's not within our belief
17 window. And I'm okay with that, sure.

18 AUDIENCE: (Inaudible).

19 MIKE SCHREINER: Okay, I'm going to come up
20 here in a minute, but I know that you're (inaudible) I
21 get that, right? So how about just change?

22 These flies in here are huge.

23 (Laughter.)

24 AUDIENCE: Those are love bugs.

25 MIKE SCHREINER: Are they love bugs?

1 AUDIENCE: Yeah.

2 AUDIENCE: No.

3 MIKE SCHREINER: (Inaudible) no.

4 (Inaudible).

5 (Laughter.)

6 MIKE SCHREINER: What else?

7 AUDIENCE: (Inaudible).

8 AUDIENCE: A low financial IQ.

9 MIKE SCHREINER: Financial IQ. I think
10 that's a big thing. I think people just don't
11 understand how that stuff works, right, how money
12 works, how business works, and we're going to spend a
13 lot of time on that today.

14 Good. Anything else?

15 AUDIENCE: (Inaudible).

16 MIKE SCHREINER: Yeah (inaudible) would be a
17 huge part of this because people think they have to do
18 all themselves, right? That again comes down to FBA
19 versus FBM. They think they've got to do it
20 (inaudible) which is (inaudible).

21 Anything else?

22 AUDIENCE: Education.

23 MIKE SCHREINER: Okay, so just -- just the
24 education itself for -- of Amazon? Of e-commerce? Of
25 --

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Okay.

3 AUDIENCE: (Inaudible).

4 MIKE SCHREINER: And that one also comes
5 right back to our power team as well, right? Because
6 who is going to be responsible for what -- and this
7 kind of comes down to our liability as well, right?

8 AUDIENCE: Yes.

9 MIKE SCHREINER: Who's going to be reliable?
10 So for me, even when it -- so everything we're going
11 to talk about today and tomorrow, the most expensive
12 part of everything we're going to talk about today and
13 tomorrow is going to be shipping. So who's
14 responsible for that? See, for me, I want my
15 manufacturers, my wholesalers, my liquidators, I want
16 them responsible until they get it to my warehouse.

17 Once it gets to my warehouse, which is the
18 Sellers Playbook warehouse, once the Sellers Playbook
19 warehouse takes responsibility of it, I want them
20 responsible until it gets to Amazon. Once it -- once
21 it gets to Amazon, then Amazon is responsible. I
22 don't want the liability on my shoulders ever. So,
23 again, who's going to be responsible for what and
24 when? So I -- yeah, I agree with that, because that's
25 a fear for a lot of people, isn't it? Because the

1 (inaudible) is like, oh, crap, well, that means I'm
2 responsible, well, why should you be responsible for
3 it all?

4 Good. Anything else?

5 (No response.)

6 MIKE SCHREINER: Okay. And that's a good
7 list, it is. I mean, a lot of this, though, when it
8 comes right down to it is people are scared of?

9 AUDIENCE: (Inaudible).

10 MIKE SCHREINER: Change. Because that's
11 what a lot of this is, right? If we're going to do
12 anything on this list, we have to change what we're
13 doing, don't we? How many of you in here by a show of
14 hands are scared of change?

15 Okay, you all should be more afraid to stay
16 the same, and here's why. Every one of you in this
17 group knows exactly what it took to get you to this
18 (inaudible). Right?

19 AUDIENCE: Yes.

20 MIKE SCHREINER: So we can always go back
21 and do what we did.

22 AUDIENCE: Yes.

23 MIKE SCHREINER: Look, even when I was
24 wrenching on cars, guys, I was ASE-certified. I could
25 have gotten a job anywhere, right? I was master-

1 certified as a mechanic. I could have gotten a job
2 anywhere. I knew I could always go back and do what I
3 was doing, but I wanted to give awesome a shot.

4 Right? You all know what it took to get you in this
5 room today. You can always go back and do what you
6 did, but you got an opportunity now to step into a
7 whole (inaudible).

8 That's what changes, guys. The minute you
9 are more scared to stay the same is the minute you
10 break through in business, because you know what I
11 did, right? I knew I could always go back. In fact,
12 it was my wife that kind of put it down. She said --
13 because I told her, I says, I'm done. I says, we're
14 making more now, and what I found is my part-time
15 business I was making more money than I was in my
16 full-time job. And every time I was going to work, I
17 was losing money in my business. And I knew a
18 decision had to be made for us, and I was ready to
19 walk away.

20 So my wife gave me a -- it was actually a
21 six-month mark when I did it because it was in May, at
22 the end of May when I quit my job. She said, you've
23 got until December to make this a full-on business.
24 If it's not, come January of next year, you're going
25 back to work. Like I said, I knew I could always go

1 back and do what I was doing, but I never looked back,
2 because I wanted to give that awesome a shot.

3 So when it comes right down to the things
4 that are holding us back, again, it all comes to that
5 change. And, look, again, I don't -- I get it.
6 Either you will or you won't, you can or you can't.
7 There really is no in between. You've got to find
8 that drive for you. We can't make it happen for you.

9 So say no to excuses, guys. I -- I'm really
10 not an excuse kind of guy. I have four kids, I know.
11 But we've got to see it to believe it, though. And
12 that's why I say, you've got to set realistic goals
13 for what we want to get out of (inaudible). Everyone
14 always says, I don't want to be a millionaire, but
15 again, they're not even zero-aires, much less hundred-
16 or thousand-aires, right? It's line upon line
17 (inaudible).

18 In fact, one of my friends runs marathons.
19 I was like, how in the world do you run marathons?
20 How do you run 26-point-whatever miles? And he looked
21 at me and says, I don't. So but you just said you run
22 marathons. He says, oh, no, I run one mile. After I
23 run that mile, then I run that second mile.

24 It's that mindset. Right? If we think that
25 we only have to do something for a short time, we can

1 do it all day long as far as we can, can't we? And.
2 that's the difference. He finishes his marathons,
3 every one of them, under six minutes a mile because
4 he's not finishing a mile and saying, oh, crap, I've
5 got 24 or 23 or 22 left. He's like, can I just do
6 another one? And after every mile, he gives himself a
7 pat on the back and says, attaboy, and now I'll go the
8 second mile.

9 So he can push as hard as he wants every
10 mile because he's not looking at it as a whole
11 marathon. It's the same with this, guys, one step at
12 a time. So we've just got to see it. We've got to
13 set the goals and we've got to take action.

14 All right, we've got three classes of people
15 in our country right now. We've got the rich, we've
16 got the middle class, and we've got the poor. Which
17 of those three classifications is going away?

18 AUDIENCE: Middle class.

19 MIKE SCHREINER: Middle class. So, again,
20 this is the thing. All those other people, right,
21 Suze Orman, Dave Grandy, David Bach, all those guys
22 are trying to keep the middle class safe. Here's the
23 problem. If you do not push yourself to that next
24 level, you will be forced down to the bottom level.
25 It's not going to be a conscious choice; it's just

1 what's going to happen, because it is going away.

2 Because that's the thing, too. In fact, one
3 of my mentors, shared a stage several times with Dave
4 Ramsey. And Dave Ramsey's won all (inaudible) he's
5 blowing up credit cards, driving -- put them in
6 blenders, I mean, cutting them up or they're having a
7 good time. Suze Orman, same thing, aren't they?

8 Here's the problem, though, is they're
9 hurting people. Because you guys understand, you
10 close a credit card, it hurts your credit way more
11 than it helps it. I don't know if you guys know that
12 or not, but it does.

13 So he used to give crap all the time, and
14 Dave Ramsey sat down with him and (inaudible) says,
15 look, here's the deal (inaudible) the people that I
16 deal with can't handle their credit. The people that
17 you're working with, you're teaching them how to
18 manage their (inaudible). That guy says, you know
19 what, fair enough, you're right. So it's the
20 different way we've got to look at things. But that's
21 the thing, guys, if we can't force you to that top
22 level, you will get forced down. And it's just what's
23 going to happen. It's not necessarily going to be a
24 conscious choice. So we've got to do something
25 (inaudible).

1 So let's talk about the fear. What is some
2 of your fears? So fear of change, right? What else?
3 Fear of losing money. Fear of failure. Fear of
4 losing everything, which I'll tell you right now,
5 guys, with the right asset protection in place, is
6 impossible. With the right asset protection in place,
7 you cannot lose everything; it's impossible.

8 What's one of the other fears?

9 AUDIENCE: (Inaudible).

10 MIKE SCHREINER: So just making mistakes,
11 right? Losing money, making mistakes.

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: Aah, fear of success.

14 AUDIENCE: (Inaudible).

15 MIKE SCHREINER: Yeah, not being able to
16 handle that, right? Now, what if you do make it work
17 but you can't handle it?

18 AUDIENCE: (Inaudible).

19 MIKE SCHREINER: Correct. And I see that a
20 lot dealing with small business owners, right? I see
21 it all the time with small business owners. They
22 shoot themselves in the foot because they start seeing
23 that stuff, like, oh, crap, right? I'm doing all this
24 stuff but I'm still doing it myself and I -- what do I
25 -- I can't.

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Yeah.

3 AUDIENCE: (Inaudible).

4 MIKE SCHREINER: You don't have the system.

5 You don't have the infrastructure. Yeah.

6 What was that other one, Harry?

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: Fear of -- yeah, because
9 you're a control freak, aren't you? Here's the thing,
10 guys, and that's the thing with the S investor, you're
11 all control freaks, you are. When it comes to my
12 money is the only time that I want control.
13 Everything else, I want other people to do it all so I
14 don't have to. So I'm not a control freak
15 (inaudible).

16 So let's talk about those fears. Fear of
17 failure or fear of -- okay, well, not fear of failure.
18 Let's say fear of making mistakes. Get over it.
19 Here's why I say that, guys. I am not comfortable.
20 You spend three days up here this weekend, you'll
21 never make another mistake. I'm not even comfortable
22 saying that you go to our next level, you'll never
23 make a mistake. In fact, I'm not comfortable saying
24 you do our next level of training, you'll never lose
25 any money.

1 What I am comfortable saying, though, is we
2 can minimize your mistakes. Here's the thing.
3 Sellers Playbook number one rule with all of our
4 students is that you do not lose money on Amazon. So
5 here's the thing. I never lose money. Now, I may not
6 make as much as I thought, but I never lose money.

7 We got a product line that we get and we
8 thought we were going to make 36 percent return on it.
9 We only made 35. Darn. Now, a lot of people are
10 looking at me, like, oh, you lost a percent. See what
11 I'm saying? So we never lose. I may not make as much
12 as I thought, but we do not lose money. And, again,
13 it's not because I figured it out; it's because I tag-
14 team up with people I team up with, people that knew
15 more than I knew. Right?

16 But the fear of success or the fear of
17 failure, that's what's -- that's what paralyzes a lot
18 of people. But there is something about fear, though.
19 We build this up in our minds and the stuff that
20 hasn't even happened yet, right? In fact, this is one
21 of my favorite things about fear. False evidence
22 appearing real.

23 Guys, we can play the "what if" game all
24 weekend, right? What if this? What if that? What if
25 (inaudible) does this? What products do that? Ooh,

1 what if it works like we tell you? What if it works
2 like we do every single day? What if you made the
3 money (inaudible)? There's the winning game I want to
4 play. But that's all it is. We build it up in our
5 minds and make it so big, and it's stuff that hasn't
6 even happened yet, but it's just what we make, isn't
7 it?

8 In fact, one of my new favorite motivational
9 guys is Will Smith. You guys know who Will Smith is?
10 Yeah? Have you guys seen the video that he talks
11 about when he does the parachute jump?

12 AUDIENCE: Yes.

13 MIKE SCHREINER: Have you? How many of you
14 have not seen that? Oh, I have to show you this. I
15 show this stuff to my kids all the time. It's so
16 cool. But he talks about they were down with some
17 friends in Dubai.

18 You've got to see this.

19 (Video played as follows.)

20

21 WILL SMITH: So, you know, for me, the daily
22 confrontation with -- with fear has become a real
23 practice for me since about three -- three years ago.
24 I went -- I went skydiving in Dubai, right? And
25 skydiving -- skydiving is a really interesting

1 confront with fear, right? So -- so I got -- I got to
2 stand up. I tell you -- I've got to stand up. All
3 right, so -- so all your friends -- what happens, you
4 go out and how you -- oh, sorry, all right
5 (inaudible).

6 So what happens is you go out the night
7 before and you -- you know, you take a drink with your
8 friends and somebody says, yeah, we should go
9 skydiving tomorrow. And you go, yeah, we'll go
10 skydiving. We're --- yeah, yeah, yeah. Everybody
11 goes, Yeah, right? And you go home but you by
12 yourself, you're like, hmm...

13 Right? And you're like, well, I mean
14 they -- they were drunk, too, right? So -- so
15 maybe -- maybe they not -- maybe they think -- I mean,
16 we don't have to go, we don't have to do it. So then,
17 that night, you're laying in your bed and you just
18 keep (demonstrating). And you're terrified and you
19 keep imagining over and over again jumping out of an
20 airplane, and you can't figure out why you would do
21 that, right? And you're laying there and you have the
22 worst night's sleep of your life, but you still have
23 the hope that your friends were drunk, right?

24 So you wake up the next day and you go, you
25 know, down and you say where you were going to meet

1 and everybody is there. And you're like, oh, shit.
2 All right, all right, cool, cool, cool, cool, cool,
3 cool, right? So you get in the van, and you don't
4 know that your friends had the same night that you had
5 because they're pretending like they didn't. They're
6 like, yeah, man, my uncle is a Navy SEAL, and, you
7 know, it's going to be great, I've been looking
8 forward to this. And you're like, oh, my God, oh, my
9 God. And your stomach is terrible, you can't eat and
10 everything, but you don't want to be the only punk who
11 doesn't jump out of this airplane.

12 So you get there, and then you have the
13 safety brief. And you're standing there, and the guys
14 that tell you, well, if the chute doesn't open, what's
15 going to happen is you're doing (inaudible) but the
16 shoot -- the shoot wouldn't open, right? So you do a
17 thing, and what you do is your first jump you're
18 attached to a guy who is going -- you know he's going
19 to walk you up.

20 So you go and you get there and there's an
21 airplane and nobody's stopping, everybody's still
22 going. So you get onto the airplane, and you're
23 sitting there and, you know, it's extra because you're
24 sitting on some dude's lap, some stranger, you're
25 sitting on his lap. And, so, you know, you got to try

1 to make small talk, yeah, man.

2 So you do, you'd be -- you be jumping with
3 people all the time, huh? Right? You know, so and
4 then you just want to make sure, you know, you're
5 like, you got kids, right? You got people you need to
6 see, right? You want to make sure he's serious,
7 right?

8 So you get in there. So everything is
9 normal, so you fly and you go up, you go up, you go
10 up, you go up to 14,000 feet, and you notice there's a
11 light, it's red and it's yellow and green, right? So
12 right now, the light's red, so then you start
13 thinking, at some point the light's going to go green,
14 and you don't know what's going to happen, right? And
15 you wait, and it goes yellow, and the light goes
16 green, and somebody opens the door.

17 And in that moment, you realize you've never
18 been in a freaking airplane with the door open, right?
19 Terror -- oh sorry, I'm spitting. Oh, sorry. So
20 terror, terror, terror, terror, right? So you go and
21 then, you know, if you're -- if you were smart, you
22 sat in the back so you don't go first, right? And
23 then people start going out of the airplane.

24 And you go and the guy walks you up to the
25 end of the thing and you're standing and your toes are

1 on the edge, and you're looking out down to death.
2 And they say on three, and they say one, two, and he
3 pushes you on two because people grab on three, right?
4 And you go (demonstrating), and you fall out of the
5 airplane, and in one second you realize that it's the
6 most blissful experience of your life. You're flying,
7 right? It doesn't feel like falling, right?

8 It's like you actually are kind of held a
9 little bit by the wind, and then you start and you
10 start falling, you're falling, and you -- there's zero
11 fear. You realize that the point of maximum danger is
12 the point of minimum fear. It's bliss, it's bliss,
13 and you're flying, right, and you're doing it, and
14 then 20 seconds, 25 seconds, 40 seconds, and you have
15 enough time to just kind of go like, ah, shit, is that
16 a building I saw right there? Oh, you didn't see
17 that? Oh, shit. Right?

18 And you start doing all of that, and the
19 lesson for me was why were you scared in your bed the
20 night before? Why did you -- what do you need that
21 fear for? Just don't go. Why are you scared in your
22 bed 16 hours before you jump? Why are you scared in a
23 car? Why could you not enjoy breakfast? What -- what
24 did you mean that -- that fear is -- fear of what?
25 You're nowhere even near the airplane. Everything up

1 to the stepping out, there's actually no reason to be
2 scared. It only just ruins your day. Your -- you
3 don't have to jump.

4 And then in that moment, all of a sudden,
5 where you should be terrified is the most blissful
6 experience of your life. And God placed the best
7 things in life on the other side of terror, on the
8 other side of your maximum fear of all of the best
9 things in life, you know? So that was -- sorry, so
10 that was -- yeah.

11 (End of video.)

12 MIKE SCHREINER: Anyway, it's true, isn't
13 it?

14 AUDIENCE: Yes.

15 MIKE SCHREINER: And that kind of goes back
16 to what I was saying. In fact, my -- my kids all the
17 time get -- get irritated with me because I push them.
18 My -- my 14-year-old plays comp soccer, and he was on
19 a team that he was the top player. He was the scorer
20 and he was the striker on his team, he was the best
21 player on the team. I moved him to another team. He
22 got ticked because he was not the best player. In
23 fact, he was in the bottom (inaudible).

24 And he was like, Dad, what the heck, I was
25 the best player. And I said, that's the problem, bud.

1 I said, you weren't getting any better. But that was
2 his fear is he loved being the big guy, he loved being
3 the big man on the team, but his fear was if I went
4 and played on another team, I may not have that, and
5 he didn't.

6 But that's the thing, guys. If you're the
7 best -- if you're the -- if I'm the smartest person in
8 any room, I'm in the wrong room. But we have that
9 fear that holds us back, and it's fear. And you'll
10 see it even this weekend, because especially come
11 Saturday night, there's a decision that has to be
12 made, right? And a lot of you guys are going to freak
13 yourselves out. And you'll see -- the first time you
14 do a \$50- or \$60,000 purchase order, you're like, oh,
15 my gosh. But if you know the numbers, what's there to
16 be scared of?

17 But we do, we think about that fear all the
18 time, and it stops us. We let it paralyze us from
19 ever getting to where we want to be. And that's all
20 it is, guys. It's false evidence appearing real, and
21 it's not even what's going to happen, but we build it
22 up in our minds so big.

23 In fact, when we talk about the fear, I want
24 you guys to write a number down in your notes for me.
25 I want you to write \$14- to \$34,000. \$14- to \$34,000.

1 What that is now is the investment if you want more
2 help, training tools, access to our mentors with --
3 with Sellers Playbook. Now, when you guys hear that
4 number, I can already see some of your faces going,
5 pffft, that's way too much money, I'm not doing it.
6 Don't do it.

7 In fact, if that's what you're thinking,
8 this isn't for you because you're already thinking
9 cost. You have no idea even what it covers. If
10 you're thinking cost, guys, this isn't for you. Make
11 sense? And I know some of you are like, wait, he's
12 going to try to sell us something? He's going to
13 leverage us to make money?

14 Then again, what are you all going to do?
15 The same thing, aren't you? You're going to leverage
16 Sellers Playbook to use Amazon, aren't you? You're
17 going to leverage Amazon to make money. What does
18 Amazon do to us? They leverage all of us to make
19 money, don't they? Does Amazon get a cut of
20 everything you sell on their store, yes or no?

21 AUDIENCE: Yes.

22 MIKE SCHREINER: Yes. Guys, they leverage
23 you just like you're going to leverage them. It's the
24 same in all of us. Now, here's the thing. I'll make
25 you two promises with those -- with our training,

1 okay? Number one, I'll show you all if you step out
2 of your comfort zone or show me you want this, I'll
3 show you guys how to pay for your advanced education
4 without taking a dollar out of your bank account.

5 In fact, not worrying about paying that
6 money back until you're out there making money, not
7 paying any interest on that money, morally, legally,
8 ethically, increasing your monthly cash flow and
9 decreasing your monthly stress. How many of you want
10 to learn that strategy?

11 Good, I'll teach you that. The other
12 promise that I make you is there will be no question
13 unanswered about what that is going to be, what the
14 investment's going to give you, what that return's
15 going to be for you by the time you leave here
16 tomorrow night. The reason I put it out on day one,
17 before we even go to lunch, is there's no smoke and
18 mirrors with me guys.

19 Look, I want to be as transparent as I can
20 be with you all. And we get these questions all the
21 time. Hey, look, we've heard about this advanced
22 training, I'm interested in that, where's it going to
23 be? It's going to be somewhere in that price range.
24 There's a lot of different options for you all. Okay,
25 they're going to do what's right for you.

1 Here's the thing. We're not going to hold a
2 gun to your head. Either you will or you won't, you
3 can or you can't. There's no in between. We get it.
4 Okay, we're going to help you every way we can, but
5 you have to want it. If you want that, I want to show
6 you the options that are available for you. Is that
7 fair enough? So don't stress about that. I just
8 wanted you guys to know it's going to be somewhere in
9 those ranges, okay?

10 But, again, I put it right out there
11 because, again, a lot of these fears all of a sudden
12 start creeping in. And you'll see, you'll see in your
13 own businesses, guys. But, again, if I know your
14 numbers and I know what's going to make it, where
15 really would be my fear? See, the only reason we have
16 our fears is because of lack of knowledge. All
17 knowledge will overcome any fear you have.

18 But it's just like Will says, right? We
19 build it up in our minds so big before it ever
20 happens, and then the minute we step through that
21 fear, all of a sudden it's like, what the heck did I
22 stress myself up for? Because it was nothing, right?
23 But it's funny because the favorite excuse I always
24 hear, and we talked about this a little bit as well
25 when we talked about what's separating is our time.

1 People always say, oh, it's not the right time.

2 Oh, guys, if you're waiting for the perfect
3 time, none of us in this room would ever get married;
4 none of us would ever have kids; because we make the
5 time perfect (inaudible). Guys, just don't let your
6 little fears stop you from getting what you want out
7 of life. That's what we can help you overcome. Fair
8 enough?

9 AUDIENCE: Yes.

10 MIKE SCHREINER: Okay. Let me ask you this,
11 guys. Knowledge is power, yes or no?

12 AUDIENCE: Yes.

13 MIKE SCHREINER: Let me hear it, yes or no?

14 AUDIENCE: Yes.

15 MIKE SCHREINER: No, it's not. That's how
16 brainwashed you've all been. If knowledge was really
17 what money, what people are making money on, if that
18 was the true power, librarians would be millionaires.
19 So would scientists. It's applied knowledge. That's
20 the true power, guys. It's what knowing what other
21 people don't know and then actually acting upon it.
22 Like I said, research doesn't pay. If people could
23 take that research and apply it, that's who makes the
24 money.

25 It's the same thing, guys. I can teach you

1 everything I know about Amazon, but if you don't ever
2 do anything with it, are you ever going to make any
3 money?

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: Never. So it's not the
6 knowledge, it's applying that knowledge. And, again,
7 you don't have to know everything. You've just got to
8 know who to get in place to do what we don't want to
9 do. And that comes back to our power team. In fact,
10 a huge power team member for us is going to be our
11 accountants, when we talk about money, funding our
12 deals.

13 Let me ask you this, how many of you here by
14 show of hands do your own taxes? Okay. How many of
15 you here by a show of hands are accountants? So two
16 of you. See, if your hand wasn't up the first -- if
17 your hand wasn't up the second time, it shouldn't have
18 been up the first time, because you're losing
19 opportunities.

20 Here's the thing when it comes to taxes,
21 too. And I'll go over more of this on Sunday. The
22 amount that you pay is irrelevant. The percentage
23 that you pay, that's what's relevant. I bet
24 percentage-wise I pay less in taxes than anyone in
25 this room. Dollar amount, I'd probably kill you all,

1 right? But percentage-wise, I pay less.

2 And here's the thing about tax law. There's
3 no gray line, right? It's black and white, you're
4 either doing it or you're not. But this is why we get
5 those people in place to do it for us. That's someone
6 that's going to be huge on your power team. In fact,
7 when it comes to your accountant, I'll tell you,
8 there's two ways to interview these guys and find
9 them. The first question you have to ask an
10 accountant is do they work with business owners and do
11 they understand e-commerce.

12 The second question you're going to ask them
13 is can you provide me with at least three references.
14 If they work with business owners and if they deal in
15 e-commerce, should they be able to give you three
16 references, yes or no?

17 AUDIENCE: Yes.

18 MIKE SCHREINER: All day long. Because I
19 got to know they know what I'm doing. In fact, my
20 accountant that I work with, her name's Elba. She has
21 now been with me for almost eight and a half years.
22 She's not who I started with, but she does e-commerce
23 business herself, and she deals with business owners.

24 Now, that second question that I had you
25 guys do, right, give me three references, is a test.

1 If they give you three references right then and there
2 and they don't preface it, I'll never use them. And
3 here's why, in the back of my mind, I'm thinking they
4 don't understand professional courtesy. Right?

5 Because the way I look at this is if you're not going
6 to set that up, what's going to stop you from giving
7 my name out to any Tom, Dick, and Harry that calls you
8 on the phone. Make sense?

9 Now, what Elba did is she prefaced it. She
10 said, you know what, I work with three -- these three
11 all the time. They have no problem with anybody
12 calling them; here's their name and number. If they
13 don't preface it, the only two answers that I'll --
14 I'll accept is, number one, hey, let me talk with them
15 and see if they're comfortable with me giving that
16 name out, right? Or, number two, give me your name
17 and number and I'll have them contact you directly.

18 Hey, guys, if they work with business owners
19 and they understand e-commerce, I want to follow up,
20 but I have no problem using them. Understand? But
21 that's a big one, guys, I'm telling you, when it comes
22 to this. But, again, we've just got to know and then
23 act upon it.

24 So let's talk about why Amazon. So the
25 opportunity right now for Amazon is huge. For those

1 of you who may not understand this, this is what I
2 mean. How many of you know what Amazon Prime days
3 are?

4 Okay (inaudible) month and a half away from
5 Amazon Prime Days. Last year, Amazon sellers
6 increased their sells during Prime days by 60 percent.
7 That's 60 percent increase in sales, and that was last
8 year. Is e-commerce getting stronger, yes or no? So
9 do you think it's going to go up from there, yes or
10 no? Now, here's the thing about Prime Days. You
11 can't just all of a sudden jump on it next month and
12 expect to win. You've got to build up to it, meaning
13 you've got to find product lines, you've got to get
14 the stuff in -- in to Amazon, and you've got to get
15 those sales going. Make sense?

16 And how many of you would love to start your
17 business with a 60 percent jump over the rest of the
18 year's business, yes or no? Okay, so like I said,
19 guys, the time is perfect now to jump into it. You
20 can't wait. But Amazon has outperformed every other
21 performing market out there. They have outperformed
22 everybody. And they just keep breaking into more and
23 more outlets. Right?

24 In fact, here's an article written about it
25 in May of 2017. They said third-party seller

1 companies, which are us, comprise nearly 82 percent of
2 Amazon's sales. In the article, it goes on to state
3 that Amazon is the fastest company in history to ever
4 reach 100 billion sales. Guys, there's opportunity
5 for us. Huge opportunities. In fact, they have
6 outperformed Walmart, hands down, not even close.

7 And the only reason I make the comparison
8 with Walmart is Walmart right now is the highest
9 employer in the country. But now Walmart is taking
10 cues from Amazon. So they're leading the way. In
11 fact, these are all the companies now that belong to
12 Amazon. Again, there's a few I have not added into
13 this one yet. I haven't added the two grocery store
14 chains, right, Whole Foods and Sprouts. But it's
15 amazing to me what they have their hands in.

16 And even more amazing is this right here.
17 These are all the web services they provide. The one
18 that killed me was right there. Netflix. What does
19 Amazon have?

20 AUDIENCE: (Inaudible).

21 MIKE SCHREINER: Amazon Prime, right? So
22 they don't care -- it's funny, because they've caused
23 their own competition, haven't they? They don't care
24 if you're doing Netflix; they don't care if you're
25 doing Amazon Prime. They win either way, but it's

1 really the same service, isn't it?

2 Now, Amazon started by selling what? Does
3 anyone remember how they started?

4 AUDIENCE: Books.

5 MIKE SCHREINER: Books. Do you think they
6 still sell books, yes or no?

7 AUDIENCE: Yeah.

8 MIKE SCHREINER: Guys, 74 percent of every
9 book sold is bought on Amazon. Still, still they're
10 killing it. I mean, look, there's a reason Jeff Bezos
11 has got a lot to smile about, right? For those of you
12 who don't know, Jeff Bezos is the founder of Amazon.
13 In fact, Jeff patented the one-click buy. How many of
14 you here are Prime members? We love Prime because of
15 one reason. What? One (inaudible). We buy and we're
16 what? We're guaranteed what?

17 AUDIENCE: (Inaudible).

18 MIKE SCHREINER: Two-day shipping, right?
19 And we know if any problems come up, Amazon will take
20 care of us. What this also means, though, is he
21 patented that. I mean, any other e-commerce company
22 that started doing the one-click, which a lot of them
23 did, Jeff was getting what off of every one of those?

24 AUDIENCE: (Inaudible).

25 MIKE SCHREINER: Right, he was getting

1 money, he was getting the royalties off if it, right?

2 Now, his patent actually ran out last November. Do
3 you think at this point that he cared, yes or no?

4 AUDIENCE: No.

5 MIKE SCHREINER: No. No. But that's the
6 kind of innovative stuff that Amazon is coming up
7 with, guys. To me, it's just amazing. But I love
8 that it says, "Amazon has shipped 5 billion items to
9 Prime customers in 2017." Billions. Not million.
10 Billions. That's insane.

11 So when we talk about the Amazon opportunity
12 here, we (inaudible). Amazon users were five times
13 more valuable than eBay's. Now, those of you that
14 bought from Amazon, how many of you thought you were
15 buying from Amazon, by a show of hands? Yeah. And
16 right now, ninety -- it's like 92 or 93 percent of the
17 shoppers that buy from Amazon believe they're buying
18 from Amazon.

19 Do I care that they don't know that they are
20 buying it from -- that they know they're buying it
21 from me or buying it from Amazon? Yes or no? I
22 couldn't care less, not even a little bit. The fact
23 that they're buying and I'm winning, that's all I care
24 about. But most people that buy from Amazon think
25 they're buying from Amazon. They don't know that it's

1 other stores that are doing it.

2 Look at this. In 2013, the Amazon site went
3 down for 49 minutes. They missed \$5.7 million in
4 sales. Less than an hour. Is there an opportunity
5 here, yes or no?

6 AUDIENCE: Yes.

7 MIKE SCHREINER: What if we just have a
8 portion of that 5.7? Like I said, guys, we don't need
9 the whole pie. All we want is a piece. We just want
10 to win a part of that. It's still in the infancy
11 stage. In fact, 135 billion in 2016 of net sales --
12 half by non-Amazon sellers -- 44 percent, like I said
13 go directly to Amazon; 95 percent don't even know what
14 they're doing. So it makes it as though there's no
15 other real competition.

16 I'm educated and I know what I'm doing on
17 Amazon, and 95 percent of the sellers don't. And
18 you'll see when we go through some of this stuff why
19 people do what they do because they just don't know.
20 So there's a network and a system (inaudible) of
21 winning on Amazon. It's having the network; it's
22 having a system; and it's getting a coach to show you
23 what you don't know.

24 So let's talk about our network. Again,
25 Sellers Playbook number one rule, all of our students

1 do not lose money on Amazon. So there's a lot of
2 networking in place. How many of you have heard your
3 net worth is determined by your network? Have you
4 guys heard that? Yes or no? Yeah, it's so true,
5 right? It's who you're surrounding yourself with, who
6 you're letting into it.

7 It kind of goes back to what I talked about,
8 are we letting negative people or negative things
9 online influence our decisions? Or are we doing it
10 ourselves? We let it out, right? But we a lot of
11 times, too many people let other people. So who are
12 we teaming up with, right? The mastermind team, how
13 to share product, right? Any (inaudible) how do we
14 outsource our product and our services?

15 So a lot of this is getting that network in
16 place, meaning warehousing, shipping. Because here's
17 the thing about shipping and warehousing, guys.
18 Tomorrow when we talk about wholesaling, we talk about
19 liquidating, we talk about (inaudible) shopper. You
20 start ordering pallets from these guys, they cannot
21 deliver to your house. You guys understand that,
22 right?

23 In fact, my neighborhood, they won't even
24 let those big trucks in the gates. You can't deliver
25 it. And most of these trucking companies aren't set

1 up with drop gates on the truck. To get that added,
2 you're anywhere from \$150 to \$500 to get that drop
3 gate added. How quickly would that eat away at your
4 profits? So you have to have somebody that can
5 receive that. You have to have somebody that will
6 prep it for you, somebody that makes sure what you
7 ordered are not damaged.

8 So whether you team up with us and have our
9 warehouse do it or you find your own, you have to have
10 that kind of network in place. That's part of the
11 system, because you just can't -- they're not going to
12 drop it on your front yard or in your driveway, nor
13 would you want that.

14 So when we talk about FBA/FBM, you'll see
15 why that is. So this really comes down to our system.
16 So the system is -- do you guys know what the
17 difference is between when I'm saying FBM/FBA? How
18 many of you know what that is? How many of you don't
19 know what that is? Okay, FBM means fulfilled by
20 merchant, meaning you're doing the fulfillment. FBA
21 is fulfillment by Amazon.

22 So if you're doing FBM, that means you're
23 dealing with all the shipping, all the customer
24 service. You're dealing with all of the packaging;
25 you're dealing with all of the -- the complaints,

1 everything. If we do FBA, Amazon does it all. So we
2 send our product to Amazon; they store the product;
3 they -- people buy from Amazon, right? They just
4 purchased on Amazon, thinking they're buying from
5 Amazon. Amazon pulls the product; they package it;
6 they ship it off to the customer, but now they deal
7 with any customer complaints, they deal with any
8 problems, they deal with all the shipping issues so we
9 don't have to.

10 This is the thing, guys. If you're going to
11 do this as a business, treat it as a business. In
12 fact, one of our students came to us. His name is
13 Beau Borricks (phonetic). The whole reason he teamed
14 up with us, he was doing FBM. What really pushed it
15 over the edge for him was his wife said I want my
16 garage back. She had a three-car garage full of
17 product. And every time him and his brother would go
18 out and play, right, him and his brother, Brandon,
19 would go out and play, every time somebody ordered,
20 guess who now had to deal with that. His wife. She
21 had to now pull the product; she had to get it
22 shipped; she had to drag the kids with her and deal
23 with all that crap.

24 She said I'm done. In fact, the big push
25 for her, they live in Utah. They were getting a ton

1 of snow. She had to go out and scrape off her car,
2 right, shovel the walk to get her car out, when she
3 had a three-car garage that worked just fine. In
4 fact, one of his friends used to store the stuff in
5 their basement. They had a pipe leak, ruined the
6 product. Who do you think is eating that? He had to
7 eat it, right?

8 So let's just say the same scenario. I do
9 FBA. That's all I do is FBA. I ship it off to
10 Amazon, Amazon warehouse burns down. Who's eating it?
11 Amazon. It kind of comes back to that responsibility,
12 right? Who's going to be responsible for what? I
13 don't want to take that onto my house.

14 And here's the other thing. You may not
15 understand. Some of you may. If you ship a certain
16 amount of product from your house, you now get labeled
17 as a warehouse, which means your taxes will take
18 almost a 20 percent jump once you get labeled as a
19 warehouse. It all plays a role, guys.

20 So we got to use the network that's going to
21 work for us. So when you're doing FBM, you're storing
22 the product, you prep the product, and you don't win
23 the buy box -- we'll talk about what that is. Now,
24 there are scenarios where FBM merchants can win the
25 buy box, but right now, you won't. Okay? You don't

1 win the buy box, which means you're not Prime. You
2 ship (inaudible) buy box as well.

3 How many of you by a show of hands have gone
4 further than the first or second page on Amazon to
5 buy? Unless you're looking for something specific,
6 though, how many of you have gone past the first page?
7 Right, rarely does it happen. Most of the time, we
8 see what we want and we can buy it right off that buy
9 box, right? One click, we're here two-day shipping.
10 We know Amazon is going to take care of us. So that's
11 the difference. When you do FBM, you do not win the
12 buy box, which means you're not going to get in that
13 rotation of those sells.

14 Guys, 92 percent of the buyers buy
15 immediately off that buy box. In fact, 98 percent of
16 Prime members never go past that first page because
17 they're already doing it because it's guaranteed two-
18 day shipping, and the buy box is generally where the
19 prices are going to be, unless they're doing something
20 very specific. But you have to deal with all the
21 customer returns and all the customer complaints.

22 All of those things, though, everything over
23 here, is going to affect your store rating. So if you
24 don't have a bad score ranking, will that affect your
25 store in Amazon, yes or no?

1 AUDIENCE: Yes.

2 MIKE SCHREINER: Yeah, look, Amazon has
3 really taken the phrase "the customer is always
4 right," they've taken that and put it on steroids,
5 right, because to them the customer is always -- now,
6 anybody that's ever dealt in sales, you know that's
7 not always true, right? Because, look, just like that
8 guy with the transmission, there's some people that
9 you're never going to make happy, right? They're
10 going to complain no matter what.

11 And you'll see that, too, when you go
12 through some of the rankings. You'll see people who
13 are like, oh, I love this product, the best product I
14 ever bought, right? Four stars. What? Right, others
15 will be like, I hate this product. Man, it was
16 overpriced, it didn't work like I thought, and they
17 still give it like two stars. I mean, what the heck,
18 right (inaudible). So you're not going to make
19 everybody happy, but that affects our scores.

20 FBA, though, Amazon stores it, Amazon ships
21 it. Now, you have to pay for that service. So here's
22 the difference, guys. If you're going to do FBA, you
23 have to prep it for Amazon's standards. If it doesn't
24 meet their standard and you ship it to them to do it,
25 they'll (inaudible) shipments. You guys understand

1 what I mean by it being prepped, right?

2 AUDIENCE: No.

3 MIKE SCHREINER: So here's a perfect
4 example. Let's just say you're going to order 10,000
5 t-shirts from a company. You can't just ship it
6 directly to Amazon. See, those t-shirts have to be
7 individually bagged, with the right thickness of bag,
8 the right size of bag. It has to have the ASIN number
9 on it, it has to have the warning labels on it, right?
10 It all has to be prepped for Amazon to do it, because
11 Amazon, guys, that picture that I showed you, that's a
12 picture of their warehouse.

13 So everything they do now is automated.
14 They don't have individuals going and finding your
15 product and pulling it. It's all done by robots. In
16 fact, because of the automation process they do on
17 their warehouses and their warehouses have gotten so
18 big now, the company that they are buying the robots
19 from to do all of this, Amazon bought that company
20 because they've automated their system. So if you
21 don't fit within their system, they're just not going
22 to deal with you, right?

23 So there's certain things when it comes to
24 that FBA that we have to prep. So the package and
25 prep requirements for Amazon for you to ship and to --